
OLR Bill Analysis

SB 196

AN ACT CONCERNING CREDIT BLOCKS.

SUMMARY:

This bill prohibits anyone who accepts credit or debit cards for retail sales from placing or allowing a third party, without the consumer's knowledge and consent, to place a credit block larger than the consumer's actual purchase for goods or services. The bill does not establish a penalty for violations.

A credit block is an arrangement between retailers and credit or debit card issuers, or entities that administer credit blocks for these companies, to reserve a specified dollar amount of the consumer's credit or account balance for use in connection with the consumer initiated purchase. The block must be at the retailer's request before purchase completion.

EFFECTIVE DATE: January 1, 2014

COMMITTEE ACTION

General Law Committee

Joint Favorable

Yea 13 Nay 5 (03/12/2013)